

Message Text

CONFIDENTIAL

PAGE 01 ADDIS 01686 211517Z
ACTION AID-59

INFO OCT-01 AF-08 ISO-00 EB-08 IGA-02 L-03 SP-02 H-01
CIAE-00 INR-07 NSAE-00 TRSE-00 OMB-01 DHA-02 IO-13
/107 W

-----211544Z 024912 /41

R 211418Z MAR 77
FM AMEMBASSY ADDIS ABABA
TO SECSTATE WASHDC 3188

C O N F I D E N T I A L ADDIS ABABA 1686

E.O. 11652: GDS
TAGS: EAID
SUBJ: AID SHIFT FROM LOAN TO GRANT ASSISTANCE

1. EMB AND USAID HAVE BEEN AWARE FOR SOME TIME OF
DECISION PENDING IN AID/W TO MAKE ALL ECONOMIC ASSISTANCE TO
RLDC'S GRANT RATHER THAN LOAN. ALTHOUGH WE HAVE NO RECEIVED
FORMAL NOTIFICATION OF THIS DECISION, WE NOTE THAT CONGRESSIONAL
PRESENTATION OF FY 78 AID PROGRAM LISTS ALL ASSISTANCE ETHIOPIA
FOR BOTH FY 77 AND 78 AS GRANT.

2. EMB AND USAID CONCERNED THAT DECISION SHIFT FROM LOAN
TO GRANT FOR ETHIOPIA BE COMMUNICATED TO EPMG IN APPROPRIATE
MANNER AS PROPOSED HERE, ESPECIALLY IN CONTEXT RECENT U.S.
DECISION END GRANT MAP ASSISTANCE FY 78. PURPOSE THIS MESSAGE
TO PROPOSE METHOD COMMUNICATION THIS DECISION FOR DEPT
AND AID/W APPROVAL. IMPORTANT THAT DECISION BE COMMUNICATED
HERE IN PLANNED WAY RATHER THAN SIMPLY MADE KNOWN IN
COURSE NORMAL AID OPERATIONS OR CONGRESSIONAL HEARINGS.

3. EMB PROPOSES COMMUNICATE U.S. DECISION ON RLDC'S
TO NEW FONMIN OR OTHER APPROPRIATE HIGH-LEVEL
OFFICIALS. PROPOSE TO INDICATE THAT DECISION REFLECTS
U.S. CONTINUING CONCERN FOR PLIGHT OF RLDC'S AND
DETERMINATION ASSIST DEVELOPMENT EFFORTS ON MOST
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 ADDIS 01686 211517Z

FAVORABLE TERMS. SPECIFICALLY FOR ETHIOPIA, DECISION
REFLECTS U.S. POLICY THAT WE PREPARED CONTINUE ON EVEN
MORE FAVORABLE TERMS ASSIST EPMG IN THOSE CASES WHERE
AID CAN TRULY REACH RURAL POOR AND FOR DEVELOPMENT
IMPACT ALONG LINES AID LEGISLATIVE MANDATE. U.S. POLICY
THUS STRESSES CONTINUING U.S. CONCERN FOR POVERTY IN
ETHIOPIA AND WILLINGNESS WORK WITH EPMG ON PROGRAMS

CONSISTENT WITH BOTH EPMG'S OWN SOCIAL AND ECONOMIC GOALS AND U.S. DEVELOPMENTAL OBJECTIVES. PRESENTATION ALONG THESE LINES WOULD UNDERLINE U.S. CONCERN WITH HUMAN RIGHTS IN BROADEST SENSE INCLUDING CONTINUED READINESS ASSIST ENHANCING SOCIAL AND ECONOMIC RIGHTS OF MAJORITY ETHIOPIAN POPULATION.

4. IN ORDER PROCEED ALONG LINES PARA 3, EMB NEEDS ASSURANCE THAT DECISION SHIFT ETHIOPIA PROGRAM TO ALL GRANT IS, IN FACT, FIRM AND HAS BEEN DISCUSSED WITH RELEVANT CONGRESSIONAL MEMBERS TO THAT SUBSEQUENTLY DECISION WILL NOT BE REVERSED IN COURSE HEARINGS OR FINAL ACTIONS ON AID BILL. RECOGNIZE THAT FY 77 FUNDS ALREADY APPROPRIATED AND THAT WE CAN ONLY PROCEED ON FY 78 ON BASIS OF PROPOSALS TO CONGRESS ON WHICH CONGRESS STILL HAS TO ACT. BUT STILL NEED ASSURANCES THAT FY 77 PROGRAM FIRMLY AGREED TO BE ON GRANT BASIS, SUBJECT OF COURSE TO WORKING OUT ALL NORMAL PROJECT DETAILS AND NORMAL AID/W PROJECT APPROVALS.

5. COMMENT: EPMG AWARE THAT U.S. LEGISLATION GOVERNING ECONOMIC ASSISTANCE ALSO INCLUDES HUMAN RIGHTS PROVISIONS, EVEN THOUGH PROVISIONS ARE SLIGHTLY DIFFERENT. ETHIOPIAN OFFICIALS MAY NOT, HOWEVER, PERCEIVE DISTINCTION (OR CHOOSE NOT TO) AND MAY BE PUZZLED IN LIGHT OF DECISION ON FY 78 MAP, WONDERING WHETHER WE MAKING DIFFERENTIATION IN OUR CRITERIA FOR MILITARY VS. ECONOMIC ASSISTANCE FOR REASONS OTHER THAN HUMAN RIGHTS (READ POLITICAL). IF DEPT AGREES THAT WE SHOULD MAKE SPECIAL CONFIDENTIAL

CONFIDENTIAL

PAGE 03 ADDIS 01686 211517Z

EFFORT TO INFORM EPMG OF GRANT ECONOMIC ASSISTANCE PER THIS TELEGRAM, WE SHOULD BE PREPARED TO DEAL WITH THIS KIND OF QUESTION, AND WOULD THEREFORE APPRECIATE ANY THOUGHTS DEPT MAY HAVE, SUCH THOUGHTS TO BE INCLUDED IN DEPT'S REPLY. APPRECIATE RESPONSE ASAP AS CONGRESSIONAL PRESENTATION ALREADY CIRCULATING AND PROBABLY WILL SOON BE READ BY ETHIOPIAN OFFICIALS IN U.S. OR HERE. TIENKEN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, LOANS, GRANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ADDIS01686
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770096-0538
Format: TEL
From: ADDIS ABABA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770341/aaaabjau.tel
Line Count: 105
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 89885cb5-c288-dd11-92da-001cc4696bcc
Office: ACTION AID
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 08-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3054039
Secure: OPEN
Status: NATIVE
Subject: AID SHIFT FROM LOAN TO GRANT ASSISTANCE
TAGS: EAID, ET, US
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/89885cb5-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009